Date: 07/10/06

Pharmacy Announcement

Billing Notice for Medicaid Recipients with Medicare Part B and/or Part D:

Per Nevada Medicaid Services Manual Chapter 1200,1203.1D,7, Medicaid is the payer of last resort. Other sources of payment include, but are not limited to, Medicare Part B and Part D. This communication addresses pharmacy billing questions that have been raised regarding recipients with Medicaid plus Part B and/or Part D coverage. These recipients are commonly referred to as dual-eligible recipients.

Co-Payment Claims

Current Medicaid co-payment logic does not allow for the reimbursement of a dualeligible co-payment for an amount greater than \$3. For Part B-covered drugs, the copay amount can and will exceed this amount in most cases. To exceed the current \$3 co-pay maximum for Part B-covered drugs for recipients with Part B and D, please call the First Health Services Technical Call Center at (800) 884-3238 and have Part D coverage overridden.

This override can not be automated because many Part B drugs are covered by Part D in certain situations. For example, oral anti-emetics are covered by Part B if used within 48 hours of chemotherapy, but are covered by Part D in all other situations.

Diabetic Supplies

Blood glucose testing equipment and supplies, as well as injection devices, are a Part B-covered benefit. These items are not considered Part D drugs and therefore are not a Part D benefit. After billing Medicare Part B for these items, Medicaid can be billed as the secondary payer using standard other coverage billing practices.

If you have any questions, please contact the First Health Services Technical Call Center at (800) 884-3238.